

Washington, D.C. - A major job-growth provision introduced by Rep. Melissa Bean (IL-08) was included in the stimulus deal announced Thursday by Congressional leaders and the administration.

“This provision encourages business to invest immediately,” Bean said. “It meets the timely, targeted and temporary goals that economists and Congressional leaders are seeking. This will mean more jobs and more investment from our small businesses, which are the cornerstone of our community’s economy.”

Bean, who has worked with Congressional leaders and administration officials as they crafted the plan, introduced the GROW Act (H.R. 5107) Wednesday. The proposal included a doubling of the Section 179 small business expense tax deduction. This targeted and widely supported tax incentive is included in the stimulus deal announced Thursday.

The Section 179 deduction allows small business owners to write off expenses immediately instead of depreciating these expenses over many years. Current law allows for a write-off up to \$125,000, the GROW proposal would double that to \$250,000 for 2008 only. Again, this encourages business to invest immediately, as business owners could factor the tax savings into their spending plans as soon as the provision becomes law. Businesses could only benefit from the deduction if they spend money in 2008.

“I commend the leadership and the administration for their swift, bipartisan action to shore up the economy before it slides into a downturn,” Bean said. “I look forward to supporting this proposal as it comes to the House, and I urge the Senate and the President to act swiftly to strengthen the economic health of our nation, our businesses and the families we represent.”

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